



First Union Rail Corporation
NC5811
Commercial Leasing Group
One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018
Tel 847 318-7575
847 318-7588

VIA UPS 2nd DAY AIR

December 20, 2002

RECORDATION NO. 242624 FILED

DEC 27 '02 2-12 PM

SURFACE TRANSPORTATION BOARD

Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals and one (1) copy of a Memorandum of Lease Agreement, dated November 13, 2002, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Point Comfort and Northern Railway Company
201 Isabella Street
4th Floor
Pittsburgh, PA 15212

A description of the railroad equipment covered by the enclosed document is fifty (50) 4750/4780 cubic foot covered hopper cars, with NOKL marks (See Exhibit A for numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,

Amy Carone
Manager of Documentation

Enclosures

(PCN016)

ASSGN. NO. PCN016

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 13th day of November, 2002, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, as assignee of United States Rail Services, Inc., and Point Comfort & Northern Railway Company ("Lessee"), a TEXAS corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of October 1, 1984, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Schedule No. 13 of the Lease (the "Schedule"), as described in more particular on Exhibit A attached hereto, effective as of March 23, 2001 and subject to the terms, conditions and provisions of the above-mentioned Lease and Schedule.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: K. A. Dombrowski
Name: K. A. Dombrowski
Title: DIRECTOR OF DOCUMENTATION

By: Richard F. Seymour
Name: RICHARD F. SEYMOUR
Title: Vice President Sales & Marketing
Executed on this 13th day of Nov., 2002.

[CORPORATE SEAL]

RECORDATION NO. 24262 FILED

DEC 27 '02 2-12 PM

STATE OF ILLINOIS
COUNTY OF COOK

SURFACE TRANSPORTATION BOARD

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 13th day of November, 2002.

Susan Grokulska
Notary Public

My Commission Expires:

8-14-2004
(Notary Public)



LESSEE:

POINT COMFORT & NORTHERN RAILWAY COMPANY

By: Nancy M. Lapinski

Name: Nancy M. Lapinski

Title: Attorney-in-Fact

ATTEST:

By: Judith R. Kelly

Name: Judith R. Kelly

Title: Freight Specialist

Executed on this 8th day of November, 2002

[CORPORATE SEAL]

STATE OF PA

COUNTY OF Allegheny

I, Gail Mack, a Notary Public of the County and State aforesaid, certify that NANCY M. LAPINSKI personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 8th day of November, 2002

Gail M. Mack
Notary Public

Commission Expires: GAIL M. MACK, Notary Public
Pittsburgh, Allegheny County, PA
My Commission Expires: 4/25/2005
(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Fifty (50)

DESCRIPTION OF CARS: 4750/4780 cu. ft. Covered Hoppers

CAR NUMBERS:

NOKL	3170	NOKL	3222
NOKL	3171	NOKL	3230
NOKL	3172	NOKL	3233
NOKL	3177	NOKL	488033
NOKL	3178	NOKL	488060
NOKL	3180	NOKL	488064
NOKL	3181	NOKL	488086
NOKL	3186	NOKL	488091
NOKL	3190	NOKL	488095
NOKL	3191	NOKL	488101
NOKL	3192	NOKL	488108
NOKL	3193	NOKL	488113
NOKL	3196	NOKL	488114
NOKL	3198	NOKL	823385
NOKL	3205	NOKL	823390
NOKL	3206	NOKL	823400
NOKL	3207	NOKL	823416
NOKL	3208	NOKL	823424
NOKL	3209	NOKL	823430
NOKL	3212	NOKL	823433
NOKL	3213	NOKL	823439
NOKL	3215	NOKL	823442
NOKL	3216	NOKL	823444
NOKL	3217	NOKL	823448
NOKL	3220	NOKL	823450